

from the CEO



Feb. 17, 2022, marked 80 years since Santee Cooper first generated electricity. Those initial megawatts came from the Jefferies Hydroelectric Station on Lake Moultrie, and eight decades later, all five hydro units still produce emissions-free energy for South Carolina.

Clean energy is how Santee Cooper made its debut, and Santee Cooper is aggressively improving the balance of clean energy in our current generating portfolio, to better balance environmental and economic priorities. Our efforts in environmental stewardship have been recognized by the American Public Power Association, which has awarded Santee Cooper its Smart Energy Provider designation. That award recognizes utilities with environmental initiatives that help provide safe, reliable, low-cost and sustainable electric service. You can read more about that elsewhere in this issue.

Over the past 18 months or so, we have worked alongside our largest customer, Central Electric Power Cooperative, to study and ultimately each contract for our share of 425 MW of new solar power. That new renewable power should be on the Santee Cooper system by late 2023.

Our Coordination Agreement with Central ensures that we work closely together on resource planning, and so we are also collaborating on our next large generating plant, one that will reduce our carbon emissions and help us better integrate a total of 1,500 MW of new solar we intend to bring online by the early 2030s. Based on these joint studies, a natural gas-fired station is the best choice over a wide range of future assumptions. It will help us retire an existing coal-fired station and provide economic power for our growing base. Ultimately, both Santee Cooper and Central will ensure there are necessary resources to meet our respective loads and continue providing some 2 million South Carolinians with reliable, affordable power.

You will hear much more about this resource planning in the coming months, as Santee Cooper engages all of our customer groups, environmental groups and other key stakeholders in the discussions. We look forward to that process and the input it will provide us, which will help determine our ultimate proposal to regulators and solidify leaner, greener operations as we begin the next 80 years.

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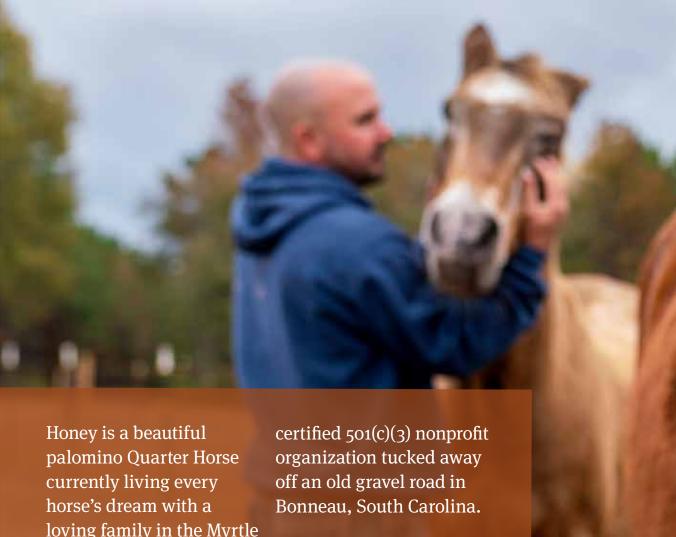
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About the Cover

Photo by Paul Zoeller

Ryan Millwood, Steam Operations Group Supervisor, inspects the tunnels under the Pinopolis Lock. The lock was drained of water to replace seals and perform other routine maintenance. Read more on page 20.

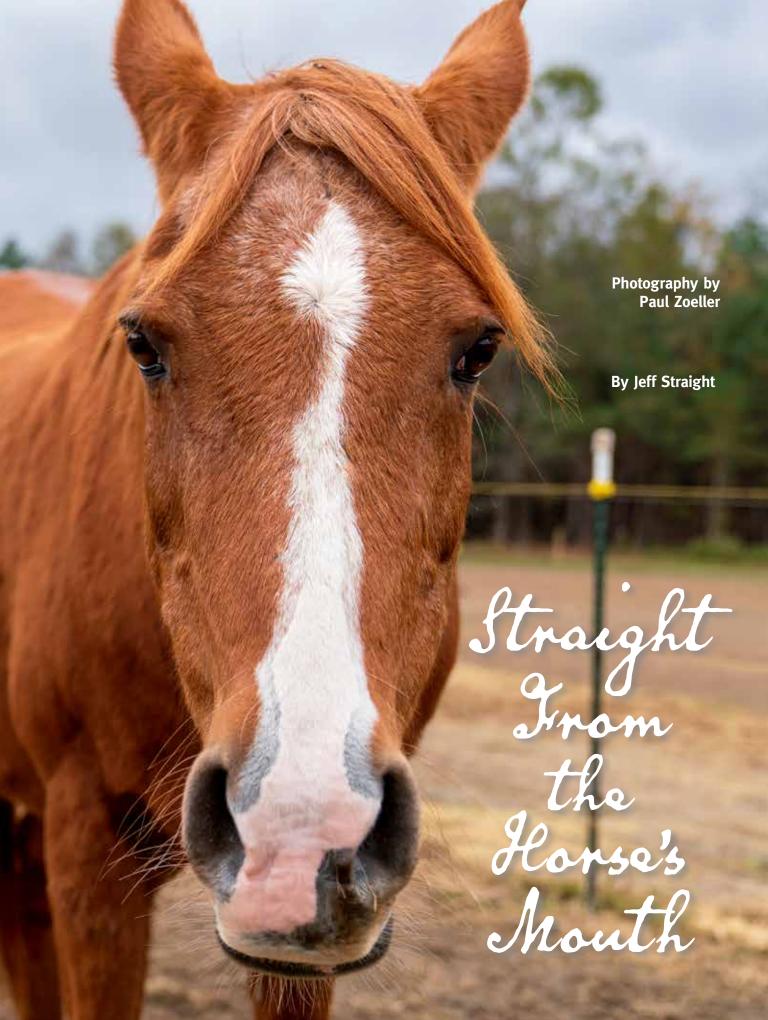




honey is a beautiful palomino Quarter Horse currently living every horse's dream with a loving family in the Myrtle Beach area. She wasn't always so fortunate. Several years ago, Honey was in distress. Severely underweight, with a serious leg infection, there was little hope she'd survive. Fortunately, hope was available – H.O.P.E. Acres Rescue, that is. H.O.P.E. stands for Helping Our Precious Equines and is a local,

Their mission is to "rescue, rehabilitate, and provide a safe haven for equines in need," and Honey needed about as much as a horse could.

Working with the Charleston Equine Clinic and Auburn University, the folks at H.O.P.E were able to give this majestic creature a new lease



on life that wouldn't have been possible without the proper rehabilitation. And there was a time when this help might not have been available.

H.O.P.E. was founded in 2012 by Tracey Sawyer and her mother, Diane Ross. You might think that Sawyer had a passion for horses, or at least fond memories of growing up around them. However, that wasn't the case. In fact, Sawyer never owned horses and never took riding lessons – she had never really been around horses at all. She also had a full-time job and kids, and she wasn't sitting around wondering what to do with her life.

What made her decide to start this journey? Sawyer's response was immediate and clear. "I really feel it was laid on my heart by a power much higher than me." And it really was as simple as that. Soon after her epiphany, she began doing some research.

Sawyer met with some existing horse rescues to get a feel for what she was getting herself into. There were many questions to be answered regarding the need for a rescue, how demanding it would be, and, of course, the costs involved. She also met with Berkeley County and discovered that local animal control had no accommodating facility, and they didn't have the means or experience to handle large-animal rescue – there was a need.

As a life-long resident of Berkeley County, Sawyer sought out to serve the community in which her roots run deep.

"I thought this was a good place to get something started ... right here at home," she said. So, she created a home for a group of area residents that not many people understand or even think about.

Kurt Abel, Sawyer's husband and Executive Director of H.O.P.E., explained some of the conditions these horses have been exposed to.
"We once took in a horse that was tied up next
to a mobile home," he said, which isn't an ideal
place for a horse. They need room to roam, and
as herd animals, they prefer companionship.

As you might infer from Abel's example, many of the animals they take in have not been handled for a while. He explained that there are people who don't realize what they are getting themselves into when they purchase a horse.

"After the novelty wears off, many of these animals end up going quite some time without human interaction," said Abel.

This can create a challenge for the new careakers. These animals need food, brushing, hoof maintenance, exercise and regular veterinary care.

"It takes time and patience to earn their trust and to get them comfortable enough to allow us to properly care for them," Abel said.

But as with most great challenges, the rewards for persevering are equally as great.

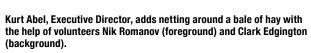
"Seeing these animals turn a corner and become part of our family ... there really isn't anything like it," he said.

The focus for H.O.P.E. is on abuse and neglect, and they provide a sanctuary for horses from all over the state that have been subjected to all kinds of poor treatment. As much as the rescue would like to accept every suffering horse, it just isn't possible.

"We don't have the capacity, the facility, or the monetary backing to take in every horse," said Sawyer, explaining they review each individual case to make a decision. "We're looking for a true need from the animal's perspective ... an urgent need for intervention."







Volunteer Lindsey Muñoz prepares medication and food for the day.

Kimberly Lewis, Fundraising Coordinator, guides Huckleberry back to his pen after he made an escape.





At the end of 2021, they were housing 17 equines. This includes three donkeys and four miniature horses, along with 10 horses. The farm spans nearly 40 acres and can accommodate up to 24 horses at one time. They also try to maintain an extra area in case there is an urgent situation.

Since 2010, H.O.P.E. has changed locations three times. They leased land until they could secure their current location in Bonneau. The horses are now able to shelter under awnings, but the rescue is working on constructing a barn through current donations, along with those made over the years. The barn is essential to continue the rescue's work. It will give improved shelter to horses that are sick or injured and will be used for storing equipment, feed and other necessary supplies. It will also be built to accommodate the rescue as it grows.

Over the years, H.O.P.E. has housed, rehabilitated and adopted out almost 90 horses. Although the main reason for accepting most of the animals is malnutrition, there are many other conditions that need to be addressed. These can range from sinus infections to equine encephalitis. The transformations of these animals are nothing short of amazing, but to make that happen, they need veterinary care. This expense is where most of the money goes.

Some of the necessary medications can cost more than \$1,000 per treatment, and it isn't uncommon to require multiple doses depending on the condition. Sawyer was clearly very pleased with veterinarians.

"We have great vets. They're our lifeline to try and solve some of the mystery that comes with these intakes," Sawyer commended. "To have them at our beck and call is pretty awesome."

Along with veterinarians, feed is also a big expense for H.O.P.E. It can range from \$250 to

\$350 every month to keep their residents fed. Sawyer explained that when it comes to feed, you definitely get what you pay for.

"A big reason some of our rescues are emaciated is that people don't know what to feed them," she said. She went on to explain that some are even fed straw, which has no nutritional value whatsoever.



Something of this magnitude couldn't be kept up by only two people. The rescue relies on the time and expertise donated by local volunteers. H.O.P.E. has 25 full-time volunteers who help with everything from farm work to community outreach and fundraising.

A perfect example of how crucial these volunteers are is the H.O.P.E. Partner Program, which paired

Lauren Daniels, Volunteer Coordinator, checks on Rocky during her Saturday morning rounds at the rescue.



Emily peeks over Executive Director Kurt Abel's shoulder.

a volunteer with every horse on the farm in 2016. This initiative proved to be a huge success as 15 horses were adopted that year. That was the highest number of adoptions in one year since the rescue began.

Lauren Daniels is the volunteer coordinator and spoke to how important a solid and dependable group of volunteers is for the organization.

"It truly takes a village to make this possible, not only to care for the horses daily, regardless of rain, heat, and so on, but the hours that go into fundraising, working with horse owners and potential adopters, maintaining the farm, and the list goes on," said Daniels.

It costs a lot to keep a rescue of this size up and running. About 70% of what H.O.P.E brings in is from the community. They also take advantage of available grants when they can. They are currently looking for several volunteers with specific skills such as nonprofit fundraising, grant writing and social media skills.

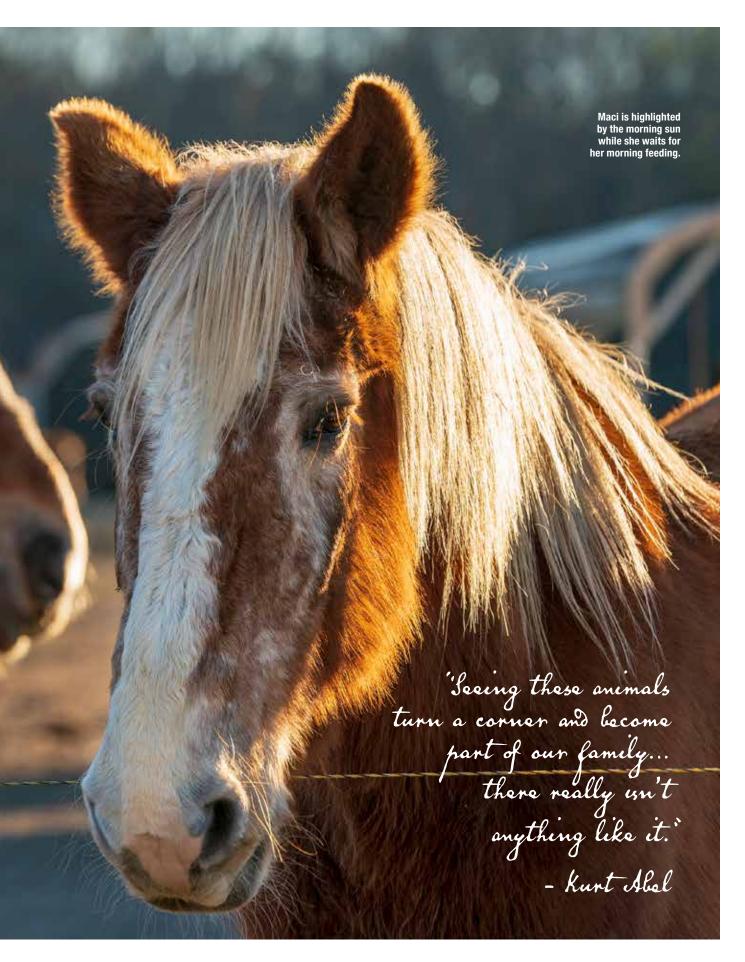
"When we say that this is a 100% volunteer-run nonprofit, it truly is. Everything that goes into running this rescue is labor of love from our volunteers," she added. H.O.P.E. is also extremely active in the community and attends various events throughout the year, such as the Coastal Carolina Fair and the Moncks Corner Pro Rodeo. The goal is not only to raise funds for the rescue but also to educate the community about equine abuse and neglect.

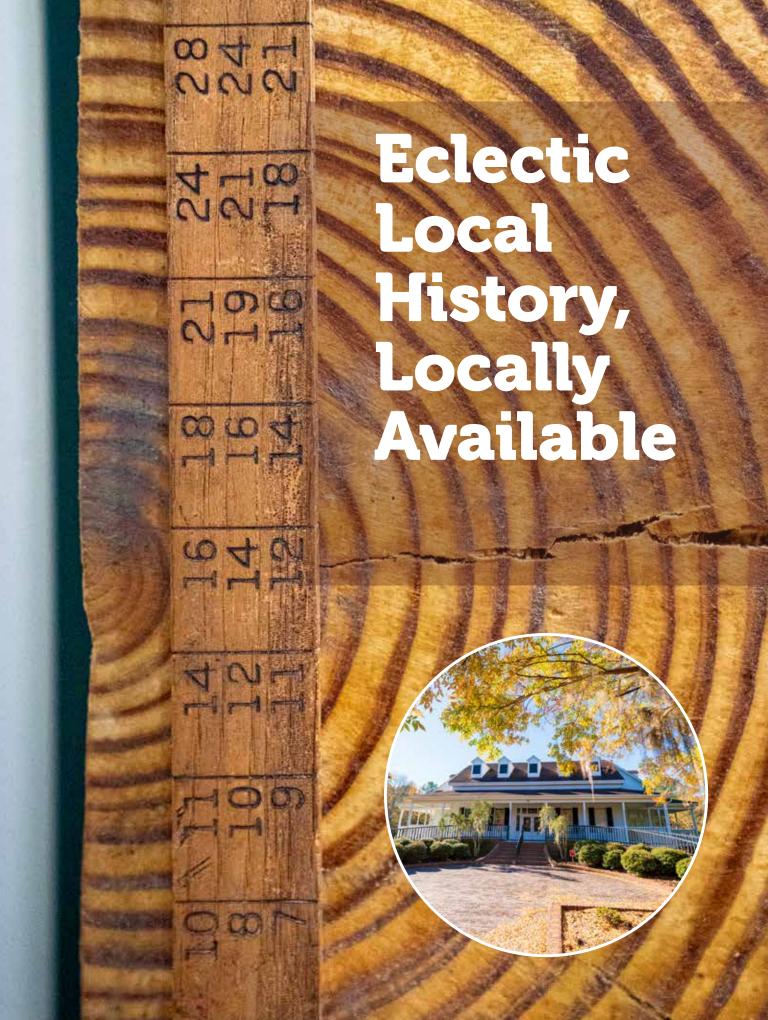
"If we can educate people about how to recognize the signs of abuse and neglect and how to prevent it, that's an invaluable service to the community," she said.

They also organize the H.O.P.E. Lope 5k, which is an annual fundraiser that takes place at Mullet Hall at Johns Island County Park. The 2022 event will also feature a virtual option, so people can participate from anywhere.

Hope is a word we hear often. Many times, it's a dismissive exclamation when referring to something we'd like to happen. But hope can be powerful, and many times it's necessary to keep moving forward. Honey is a beautiful palomino Quarter Horse – it's true. But she very well could have been just another beautiful mare left for dead if it weren't for the wonderful people who answered the call and made a difference. Honey had H.O.P.E.

If you'd like to see photos of their horses and find out more about H.O.P.E. Acres Rescue including adoption information, upcoming events, statewide equine rescue resources, and how to support them, visit **hopeacresrescue.org**.





A scale stick, once used by loggers to measure a tree's diameter and estimate the amount of lumber a log contained, at the Berkeley County Museum and Heritage Center.

Game pieces from Walt Disney's Swamp Fox board game.

Walking up the steps and into the museum feels familiar if you've spent a significant amount of your life in the South: the wide wooden porch, the noisy opening of the front door, and the sound of your shoes sliding across the hardwood floor as you take your first steps into the history-filled building. It's warm, inviting, and reminiscent of exploring the old artifacts at your grandparents' house as a child. The building that houses the Berkeley County Museum and Heritage Center was brand new when it opened almost 30 years ago but was designed to resemble an old, traditional home.

Museum visitors don't get any of the stuffy or more tourist-pleasing vibes like they might from some of the museums sprinkled throughout the state. The fear of breaking something doesn't even cross your mind as you navigate your way through the numerous exhibits around the museum.

Its location within Old Santee Canal Park might cause one to think the museum is operated by Santee Cooper, but it's not. It's a nonprofit governed by a board of directors and operates with its own staff and volunteers, including Shanda Phillips, who is the museum's Chairwoman of the Board and also a Senior Accountant of Major Assets and Liabilities with Santee Cooper.



Photography by Paul Zoeller









An exhibit features the different uses for corn. A case holds the fossilized remains of mastodons found in Berkeley County. A small piece of a musket found at Shumbrick's Plantation can be seen through a magnifying glass.

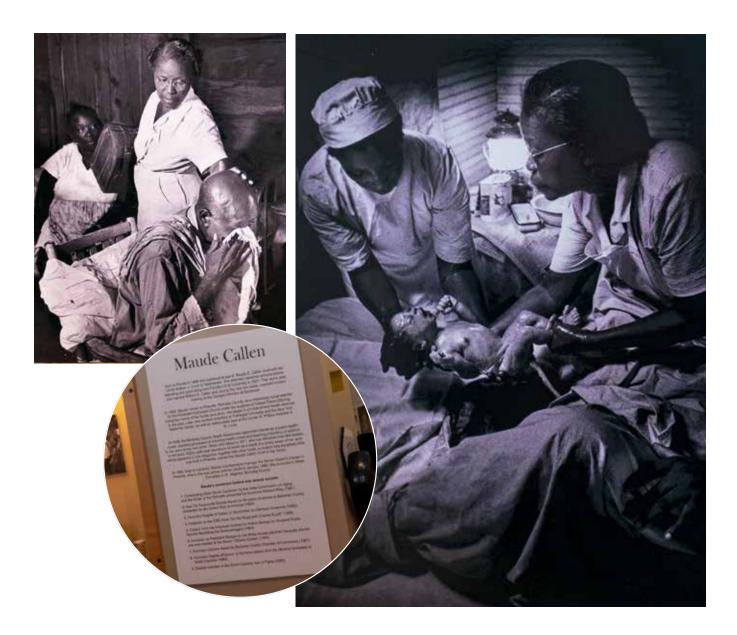
"I've been volunteering at the Berkeley County Museum for about 15 years," said Phillips. "I've always been really fascinated by history, and I think it's incredibly valuable to educate our community on what's happened right here where we live."

As you take your first steps into the museum, you will probably be greeted by the friendly Museum Director, Chelsy Proper. Proper has served in her role since spring of 2019, about a year before the COVID-19 pandemic upheaved the world.

"When the pandemic hit, we had to close our doors," said Proper. "It was rough having to put

a stop to our educational programs, but it did give us time to focus on some improvements at the museum. One big project we were able to complete was our new 'The Revolution Comes South' exhibit highlighting the Revolutionary War's impacts in Berkeley County."

The exhibit is impressive and immediately sets the scene for 1780-1782, the brief length of time when Berkeley County was involved in the American Revolution. Visitors will learn about the major players in the county like Francis Marion, Henry Lee III and Thomas Sumter, to name a few. It boasts locally discovered cannons, a British gunboat replica, and other Revolutionary War-era artifacts found in



Berkeley County. Fort Fair Lawn, a British fort built during the Revolutionary War, is also right around the corner from the museum, and is one of only two forts from the American Revolutionary War that exists in South Carolina.

As you stroll through the building, you'll see exhibits and artifacts featuring the evolution of ancient animals, Native Americans and the tools they used, Colonial Berkeley County, 20th century medicine, rural electrification and more.

One unique exhibit is dedicated to Berkeley County's Maude Callen.

Callen moved to Pineville, Berkeley County, as

a missionary nurse-teacher for the Protestant Episcopal Church in 1923. She turned two rooms in her home into a clinic where she treated the poor. Later, she became a midwife, and in 1936 the Berkeley County Health Department appointed Callen as a public health nurse.

In December 1951, LIFE Magazine published a photo essay about her tireless work in rural South Carolina. More than \$20,000 was donated as a result of the LIFE Magazine feature and, with that money, the Maude Callen Clinic was built in her honor. It was where she would work until she retired in 1971. After her retirement, Callen continued to be recognized and celebrated. She was invited by President Reagan to the White

Photos of Maude Callen, taken for a LIFE magazine photo essay on her work in Berkeley County, are on display.

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House (which she declined because she felt she was needed at the Senior Citizens Center where she volunteered), she received an honorary degree from the Medical University of South Carolina, and she was elected to the South Carolina Hall of Fame.

Rounding the corner of Callen's exhibit, the next stop on your time-traveling journey is the display featuring the history of Santee Cooper. There, visitors can learn the South Carolina Public Service Authority (also known as Santee Cooper) was established when then-Governor Blackwood signed a bill in 1934 to dam the Santee River, clear land for two large reservoirs, and construct a dam for a hydroelectric plant. The goal was to electrify rural South Carolina and help spark prosperity in the Depression-ravaged state, where life for many South Carolinians looked bleak. In 1941, President Roosevelt named Santee Cooper's Pinopolis Power Plant a national defense project, and construction accelerated when America joined World War II so Santee Cooper could generate electricity to support the Allied war effort. In February 1942, electricity started flowing and the utility began "pushing back the darkness."

The museum operates with two part-time staff members and six volunteers. Their mission is straightforward: "To collect, preserve, research, exhibit, and interpret the diverse cultural and natural history of Berkeley County, South Carolina. Through rotating and permanent exhibits, we hope to inform and inspire visitors for years to come."

"It takes a lot of time and work to put together these exhibits," said Proper. "From researching, writing and editing, to collecting artifacts, it's absolutely one of my favorite parts of the job." What does a day in the life of the Berkeley County Museum Director look like? Well, being a director of a small museum means wearing a lot of different hats. With two employees, all museum duties are shared between the director and the assistant. Check out Proper's schedule below, in her own words, to get an idea of what it takes to run the museum.

8:45 a.m. Arrive. I usually do a quick walkthrough of the museum just to make sure there aren't any messes, etc. I also check the mail on my way in. Not museum-related, but I have a long commute, so I've listened to a lot of audiobooks the past 2 1/2 years.

9 a.m. Turn on all the lights, unlock the front door, and prepare for the day. The museum is officially open! Sometime before the first customers arrive, I open the gift shop (do daily money, etc.), turn on video displays, make sure the visitor sign-in sheet has space, check bathrooms.

12:30 p.m. Lunch. If I'm here alone, I usually close the museum for about 30 minutes so I can eat without having customers come in. It's still a working lunch, though; I usually continue whatever computer-related thing I was doing as I eat.

3:45 p.m. The last visitors for the day can begin their visit at this time. If no one is here, I start doing end-of-day procedures like counting the cash drawer and turning off the electronics.

4 p.m. The museum closes. I finish the end-of-day procedures and then head home.



Proper has flexibility in her schedule, but there are many tasks she must complete on a daily or regular basis, including:

- Payroll every second Wednesday.
- Emails, emails, emails.
- Check phone messages and return calls.
- Talk to customers as they arrive and give them an introduction to the museum.
- Operate the gift shop (selling, but also purchasing, invoicing, etc.).
- Clean and restock the bathrooms.

- Clean the museum (sweep, vacuum, wash windows, clean cases, etc.).
- Social media posting and monitoring.
- Board meeting once a month.
- Manage volunteers.
- **⊘** Order office supplies.
- Run errands: bank deposits, post office to mail gift shop orders, etc.

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Former Santee Cooper President and CEO Mark Bonsall talks with the Museum's Chairwoman of the Board Shanda Phillips beside the new exhibit, "The Revolution Comes South," which contains two cannons discovered locally and highlights the Revolutionary War's impact on Berkeley County.



Then there are other things that happen less frequently, but are just as important like conducting presentations at schools or for groups; researching, writing, and editing for new exhibits and signage; and accepting artifacts and overseeing their addition to the collections.

Running a museum isn't easy, or glamorous, or even regimented. It needs funding, volunteers and visitors to keep everything running smoothly.

"More funding would allow us to make some much-needed updates to the museum's overall design so we can apply a sense of consistency to exhibits," said Proper. "It also allows us to hire staff, better equip our volunteers, and of course continue new projects."

The next project in the works is a trail that starts at the museum, winds through the park, and ends at Fort Fair Lawn. Once it's complete in early 2022, it'll be an easy-to-walk, 1.5-mile path.

"We want both longtime locals and new residents to feel proud and empowered in their community," said Proper. "On average, we'll see around 300 to 500 visitors a month, but our dream would be to double that and get to 1,000."

Whether your family has been in Berkeley County for generations, or you just relocated to the area for a new job or to retire, there's a rich history for you to explore, and you can glean a lot of that knowledge at Berkeley County Museum and Heritage Center.

If you are interested in volunteering at the museum, please contact Chelsy Proper at **info@berkeleycountymuseum**. You can learn more about the museum and how to support it at **berkeleymuseum.org**.

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POWERSOURCE



POWERSOURCE <u>21</u>

Smart meters were installed on every customer's home to help alert Santee Cooper to power outages and give customers more insight into their energy use. Ryan Millwood, Steam Operations Group Supervisor, walks inside the tunnels under the lock. Crews with contractor Carolina Power and Signalization replace old wooden transmission poles with new metal poles on Wadmacon Island.







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Do you remember the last time your power went out? If you're a customer of Santee Cooper and having a difficult time recalling, then Santee Cooper is doing its job.

Delivering affordable, safe, reliable power is Santee Cooper's primary goal and commitment to our customers. Our reliability culture has existed for decades as Santee Cooper has consistently exceeded our reliability index goal of 99.994%, which ranks Santee Cooper among the top utilities nationwide.

With the exception of June into July, our customer base grew by hundreds each month in 2021. We're now nearing 200,000 retail customers.

2021 Total Retail Customers
Jan 194,225
Feb 194,675
March 195,475
April196,147
May 196,188
June 196,988
July196,918
Aug 197,513
Sept 197,777
Oct 197,955
Nov198,588
Dec 198,694

That's even more impressive when you factor in exploding growth along the Grand Strand and all of South Carolina. Horry County, home to most of Santee Cooper's residential and commercial customers, saw a 30% population growth over the past decade, according to U.S. Census data released in August 2021. Horry County had more growth than any other South Carolina county between 2010 and 2020. That means additional homes to serve, and more power used as customers in those homes rely on the numerous gadgets that need electricity. In fact, Santee Cooper added 4,764 retail customers in 2021.

The state's electric cooperatives also use Santee Cooper power and have seen increased customers and power use. To meet growing electric demand while continuing to achieve high reliability, Santee Cooper must plan ahead.

One way Santee Cooper is meeting growing demand for electricity is by expanding transmission infrastructure in the Cane Bay and Carnes Crossroads areas of Berkeley County. Berkeley County has seen population increase by about 28% in the past decade. New, large developments, like Cane Bay, Carnes Crossroads and others, increase electric load to the system. New breaker bays transport Santee Cooper power from substation to electric cooperative, improving reliability to those areas.

"We want our customers to know they can rely on us to make sure they are safe and comfortable in their homes and businesses," said Mike Poston, Chief Customer Officer. "That means continuous maintenance and upgrades to keep the power flowing to accommodate the exponential growth in the state."

Santee Cooper's commitment to reliability is unwavering, although it also can be challenging. One of the most challenging

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Santee Cooper Crews work on the gates of the Pinopolis Lock.

Crews used specialized equipment to access the marsh areas on Wadmacon Island.

Santee Cooper Construction Representative Tim Wolfe (right) discusses plans with an employee from Carolina Power and Signalization, a contractor assisting Santee Cooper with infrastructure construction on Wadmacon Island. recent projects was on Wadmacon Island. The private island, which sits between Georgetown and Charleston, has limited access and limited bridge capacity for bringing in equipment. On top of that, the transmission poles are in swampy, tidally influenced marshes. As crews surveyed the area in August, they discovered nine wooden transmission poles on the island had rotted.

In a huge undertaking to replace the poles, crews had to use barges to get materials to the island. Instead of using trucks, crews used boats with digger derricks and augers, and they drilled holes from the floats, inserted the new utility poles, and worked on them from the bucket floats.

And these are not small poles. Transmission poles are much larger than the distribution poles lining a typical neighborhood. These poles, in particular, are galvanized with ground sleeves, which are essentially extra plates of steel around where the pole goes into the ground. Additionally, the Wadmacon structures required "bog shoes," which are designed for marshy areas, to help them stay in place.

"One thing that happens sometimes in marsh areas when new structures are installed is a tendency for the structure to settle some," said Justin Brownlee, Area Transmission Engineer. "Usually it's not that noticeable, but a bog shoe helps lessen any chance of settlement. Over time, the ground tightens up. Any minor voids fill in and typically there's no issue."

Of course, this is all done with an emphasis on safety. Santee Cooper worked to find a contractor that was familiar with marine work. Crews wore life jackets when on or near the water, and all line work was under a clearance with everything properly grounded.

"This was a huge undertaking for our department," said Mike Johnson, Senior Manager of Transmission Line Operations. "Structures like these are the toughest to maintain because of the remote, swampy location. But the hard work was well worth it as we expect the new poles to last between 50 and 75 years."

Another major project in 2021 involved closing for maintenance the Pinopolis Navigational Lock on Lake Moultrie at Jefferies Hydroelectric Station. Santee Cooper needed to replace seals on lock tainter valves, which control the water flow. Over time, the lock's tainter valve seals begin to wear and can allow leaks into and from the lock, even when the valves are closed. Typically, seals need to be replaced every five to eight years. In addition to replacing the seals, there were numerous inspections that took place on other lock equipment while the lock was drained.

During this scheduled maintenance, crews also made repairs to one of the gates that allow boats to pass through. It was the first major maintenance outage on the lock since 2013.

"The lock is an important part of Santee Cooper's history," said Carey Salisbury, Manager of Renewable Energy. "It was the highest single-lift

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system in the world when it was finished in 1941. It requires six million gallons of water to raise boats from sea level to the elevation of Lake Moultrie. We take great pride in maintaining this unique feature and continuing to provide access from our lake system to the Cooper River."

From producing electricity to measuring it, perhaps the best new tools in Santee Cooper's reliability arsenal are smart meters. The smart meter transition was complete in October, meaning all customers now have a smart meter. Smart meters give us a serious advantage when it comes to reliability because they immediately alert Santee Cooper's control center of an outage. There's no need to wait until a customer gets home and alerts us to a power outage. Santee Cooper also incorporated a mesh network, so we can find potential problems with power lines and reroute power to fix them before the problem creates an outage all without interrupting customers' service.

"Smart meters are a win-win for us and our customers," said Poston. "We get information quicker so we can provide more reliable service, while the customer receives information that can help them make smarter energy choices."

As Santee Cooper installs new upgrades related to smart meters, customers will be able to create their own alerts for electricity usage or when their bill reaches a certain cost. As customers get more information about their energy usage and are able to use energy smarter, it can also help keep fuel costs low.

With the customer growth, Santee Cooper must make sure it has the capacity and structures in place to meet that demand. Each year, the utility looks at customer growth projections, how much power is expected to be used, and where new areas are emerging. As customers and electric load increase, crews perform power quality assessments looking for any flickers, surges, spikes and dips.

Along the Grand Strand, the salt air rusts equipment on poles and structures over time. To mitigate issues, every two years crews perform "corrosion patrols." They meticulously inspect each pole within three blocks along the beaches to replace any equipment that could potentially lead to an outage. It is a tedious task, but one Santee Cooper employees take seriously to keep the power flowing.

Other regular inspections include:

- > All overhead distribution poles are physically inspected every 10 years to ensure the poles and hardware are in top shape. The maintenance program consists of inspecting, treating, and reinforcing and/or replacing poles for safety and system reliability.
- > All municipal streetlights are inspected quarterly to ensure fixtures are working correctly. In high traffic areas, these patrols are conducted more frequently. The goal is to have 99% of all light fixtures working upon inspection.
- > All underground pad-mounted equipment transformers, enclosures, switchgears and related parts are inspected every three years to ensure stability. Crews check for damaged areas, oil leaks and clearance issues.
- > The Vegetation Management Program is a five-year trim cycle to ensure adequate clearance is maintained on the distribution system. This limits tree-related outages and provides safe and reliable operation of the electrical system.

Reliability is a cornerstone of Santee Cooper. From arduous replacement of transmission lines, to regular maintenance on the lights and lines you see every day, Santee Cooper employees work hard to make sure you have flowing power to live comfortably.

"In our area, we see hurricanes, tornadoes and the occasional ice storm. We have to be ready," said Poston. "By working year-round to make sure our equipment is in tip-top shape, we can ensure our customers will have the power they rely on."





Mark Bonsall was on the ground just 41 days when he announced a detailed outline for transforming the utility's electric business and improving its balance sheet. There would be tweaks in the coming months, but the key elements were there.

Santee Cooper needed to:

- Reduce the amount and cost of debt.
- Create a modern, leaner, greener resource plan with more renewables, battery storage and gas.
- Improve Santee Cooper's operating economics through aggressive fuel supply renegotiations and hedging.
- > Hold prices steady.

When the Santee Cooper Board of Directors voted to hire Bonsall as President and CEO on July 9, 2019, the clock was already ticking: the South Carolina General Assembly wanted proposals from other utilities to buy or manage Santee Cooper, and for Santee Cooper to submit its own

plan for reforming operations and governance. The deadline was four months away.

Deputy CEO Charlie Duckworth, who came to Santee Cooper with Bonsall, took the lead in executing Bonsall's leaner, greener

A Short Stay. A Long Vision.



A LASTING IMPACT.

By Mollie Gore | Photography by Paul Zoeller

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Under Mark Bonsall's leadership, Santee Cooper has:



Reduced the executive team and reorganized Santee Cooper to focus more on **innovation** and **customer service**.

Produced an updated resource plan that reduces carbon emissions by about 55% compared to 2005's baseline, adds up to 1,500 megawatts (MW) of new solar power by the early 2030s, and closes the coal-fired Winyah Generating Station.

Jointly, with Central Electric Power Cooperative, reviewed proposals and executed contracts for Santee Cooper's respective shares of an initial 425 MW in new solar power toward that 1,500-MW goal, with projects scheduled to be online in 2023.

SETTLED ALL MAJOR LITIGATION.

Executed a new contract with a large industrial customer that benefits all customers.

Accelerated by two years the rollout of smart meters to all customers.

Developed a **new customer assistance program** to help those struggling to pay their bills.

Improved residential customer satisfaction levels to around 95%, still consistently above the national average.

Locked in significant fuel savings through 2026, through renegotiated contracts and hedging.

REDUCED THE AMOUNT, COST AND RISK OF DEBT.

Improved Santee Cooper's credit outlook to "stable" with all three of the major credit rating agencies and maintained financial metrics that support our "A" credit rating.

Established Inclusion, Diversity and Equity Awareness Council and **launched a program to increase diversity among our pool of suppliers**.

Established a Stakeholder Advisory Committee to help increase transparency and engagement with customers, the environmental community, and other stakeholders.

Developed a broadband plan to support retail providers as part of a statewide focus on serving unserved areas.

Maintained Santee Cooper's position as the LOWEST-COST PROVIDER among large South Carolina utilities.



Produced some of our best-ever safety years.

ACHIEVED TOP 1% FOR RELIABILITY NATIONALLY IN 2019 AND TOP 2% IN 2020 OUT OF MORE THAN 500 INVESTOR-OWNED UTILITIES AND ELECTRIC COOPERATIVES.

resource vision, working with Santee Cooper employees already involved in structuring a new resource map, while Bonsall marshaled the utility's financial team in developing a plan to reduce debt and other expenses. Bonsall reorganized, creating a leadership team that elevated research, development and planning, and created a Chief Customer Officer position to quickly and effectively implement a smart grid and more effectively prioritize customers. He also galvanized the legal team to successfully settle several lawsuits related to a failed expansion of

V.C. Summer nuclear station, including one that had the potential to bankrupt Santee Cooper should a jury decide against the utility.

"Your strategic thinking, with regard to helping get litigation settled and financing done, and just a lot of tough decisions, have been exactly what the doctor ordered," said David Singleton, Second Vice Chairman of the Santee Cooper Board of Directors, during a Board recognition of Bonsall's many contributions prior to stepping down Jan. 9, 2022.



Members of the Board of Directors applaud Mark Bonsall on his accomplishments during his tenure as Santee Cooper's President and CEO.

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Santee Cooper is owned by the state of South Carolina, created through legislation passed by the 1934 General Assembly, and approved by the then-Governor. Santee Cooper's role as minority owner in the failed V.C. Summer project, and owner of about \$4 billion in related debt, prompted the state's leadership to look into selling the utility.

Bonsall often described Santee Cooper as "a good utility with a bad problem." In an op-ed for the Charleston Post and Courier shortly after he arrived, he wrote: "I have known Santee Cooper through industry association for several

"What you have done for this utility is second to none... You saved us."

Peter McCoy, Chairman of the Board

decades – its history, its good work, its wonderful employees, its community involvement and support of economic development, and its significance to the state of South Carolina. Secondly, I know of its record as a utility – clearly superior reliability, price competitiveness, and enviable public and employee safety."

Bonsall recognized that the decision to sell or keep Santee Cooper belonged to the legislature, and his job was to increase our value for either purpose. Board First Vice Chairman Dan Ray, who served as Acting Chairman during much of Bonsall's tenure, said the CEO succeeded because he brought heart to the task.

"You were not afraid to be the tip of the spear, as we went about the task of reforming the company," Ray said. "We could not have done it without you."

After announcing the initial outline for transformation, Bonsall led Santee Cooper teams through production of a new business forecast, published in September 2019, and a comprehensive 449-page Reform Plan submitted in January 2020 as part of the state evaluation. The Reform Plan proposed adding 800% more solar, closing some coal units, reducing our carbon emissions 55%, and significantly reducing debt and the cost of debt. Already, we have paid off some \$500 million (net) and refinanced more than \$900 million (producing net present value savings exceeding \$400 million).

"Under Mark Bonsall's leadership, several major issues at Santee Cooper have been resolved, uncertainty has been reduced, and a stable path forward has been set for the company," said Denny Boyd, Electrical Power Engineer with Nucor Corp., a large industrial customer. $\hbox{``Improvements have also been made to facilitate'}\\$ customer communication and input, which will benefit future decision-making by Santee Cooper. This is particularly important since critical challenges lie ahead for Santee Cooper in transitioning toward a greener future while at the same time maintaining reliability at a reasonable and affordable cost to all of their customers. Due to Mark's efforts, along with those of many others within and outside of the organization, Santee Cooper is now in a better position to navigate these challenges."

Ultimately, the state analysis determined that Santee Cooper's proposal offered lower rates than

the best offers to buy or privately manage the utility. Santee Cooper quickly moved ahead with some of the resource and financial initiatives, in compliance with new legislative directives, while legislators developed new oversight and governance reforms that became law earlier this year.

In April 2021, the Post and Courier editorial staff wrote: "Mark Bonsall injected fresh ideas..., slashed costs and settled a lawsuit that posed an existential threat to the utility."

Bonsall stepped down as President and CEO on Jan. 9, 2022, engineering a path certain for Santee Cooper and leaving a legacy that will benefit customers and the entire state for decades to come.

In the recent Board recognition of his contributions, Chairman Peter McCoy credited Bonsall for "insight and forward thinking" that made the difference. "What you have done for this utility is second to none… You saved us."





Former President and CEO Mark Bonsall and Deputy CEO Charlie Duckworth.

A drummer in his spare time, Mark Bonsall perfomed with a group of Santee Cooper employees during a community gathering in 2019.

Mark Bonsall joins volunteers in welcoming guests to Celebrate The Season's Holiday Lights Driving Tour.



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newsource winter 2022

Santee Cooper Recognized as a Smart Energy Provider

Santee Cooper has earned the Smart Energy Provider (SEP) designation from the American Public Power Association. The designation recognizes a utility's commitment to energy efficiency, customer-based renewable generation, and environmental initiatives that help provide safe, reliable, low-cost and sustainable electric service. Santee Cooper previously earned the two-year SEP designation in 2019, the first year APPA offered it.

"This designation represents our employees' dedication to programs that help our customers save money, reduce our environmental impact, and support conscientious energy use," said Mike Poston, Chief Customer Officer of Santee Cooper.

Inaugural Supplier Diversity Fair Successful

In November, Santee Cooper hosted its inaugural Supplier Diversity Fair in partnership with the Carolinas-Virginia Minority Supplier Development Council. More than 75 suppliers joined the virtual fair, with additional suppliers showing interest.

The event, which was supported by Santee Cooper's Inclusion, Diversity and Equity Awareness (IDEA) Council, informed diverse businesses about procurement opportunities with Santee Cooper and how to obtain minority or women-owned business certification for other opportunities, creating new gateways to business opportunities for all. Santee Cooper's diverse and inclusive procurement strategy is expanding the pool of potential suppliers intentionally, ensuring they are representative of the citizens and communities that make up the State of South Carolina.

Santee Cooper Celebrated 20 Years of Green Power

In 2001, Santee Cooper became the first South Carolina utility to provide renewable power to customers, and Santee Cooper Green Power has helped power South Carolina ever since.

On Sept. 4, 2001, Santee Cooper started converting methane gas from Horry County Solid Waste Authority into electricity, a process that takes a potent greenhouse gas out of the atmosphere and turns it into renewable power. In the past 20 years, Santee Cooper has increased its Green Power portfolio and has generated more than 1.2 million megawatthours (MWh) of Green Power.

Santee Cooper Green Power helps preserve the environment, reduces demand on non-renewable natural resources and increases energy independence. Green Power, a subset of Santee Cooper's overall renewable power portfolio, is Green-e Energy® certified and meets the strict environmental and consumer protection standards set forth by the nonprofit Center for Resource Solutions. Learn more at www.green-e.org

Customers can purchase blocks of Green Power each month, and Santee Cooper reinvests all Green Power revenue into new or expanded sources of renewable energy. In just the

past few years, Green Power funds have been used to build Santee Cooper's Jamison, Bell Bay and Runway solar farms.

"Super Flats" Restoration Project Taking Place in Lake Marion

Santee Cooper conducted Environmental Protection Agency (EPA)-approved aquatic herbicide treatments in August on 580 acres of giant cutgrass and giant salvinia around areas in Lake Marion. The treatment is intended to improve public access for fishing, boating and duck hunting, enhance fish and wildlife habitats, and reduce further spread of giant salvinia to other areas of the Santee Cooper Lakes system. Giant cutgrass has also created dense stands restricting public access in the area known as the "Super Flats."

The Super Flats Restoration Project will focus on the areas of Persanti Island, Hickory Top, and Jacks Creek in Lake Marion, as much of those areas are now inaccessible because of thick vegetation. The Restoration Project is expected to continue over the next several years.

This is a cooperative project with South Carolina Waterfowl Association, Ducks Unlimited, South Carolina Department of Natural Resources (SCDNR), and Santee Cooper.

Camp Hall Sales and Development Moves Forward

Development of new industrial buildings and construction of various amenities at Avian Commons are currently underway at Santee Cooper's Camp Hall next-generation commerce park.

Recent developments include:

- > Portman Industrial, a modern logistics developer internationally, purchased 187 acres on Campus 4 and is constructing three buildings totaling 940,000 square feet, with plans for one or more additional buildings on the remainder of the site.
- > South Carolina-based real estate developer Magnus Development Partners completed the purchase of more than 10 acres on Camp Hall's Campus 1 with plans to construct a 157,500 square-foot industrial speculative building.
- > South Carolina-based real estate developer RealtyLink purchased 69 acres in Campus 5 with plans for a cold storage operator to occupy phase one, which consists of 300,000 square feet of convertible freezer/cooler space.
- > Construction of sports fields, a park, pathways and landscaping, all aimed at helping employees improve work-life balance, is taking place at Avian Commons. Lee & Associates, a commercial real estate firm, will lead retail parcel sales.

For more information on progress, visit CampHall.com.

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Camp Hall is a next generation commerce park. Minutes from Charleston, South Carolina, home to the deepest port on the East Coast, and with major Interstate and planned rail access, Camp Hall was designed to help industry and workforce thrive.



1,300+ ACRES of site-ready land



HOME OF Volvo Car USA



15,000 JOBS anticipated



GLOBAL port access

Camp Hall also saves you time and money with permits and major infrastructure already included in the price.



NEXT GENERATION COMMERCE PARK | CAMPHALL.COM

